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C O N F I D E N T I A L SECTION 01 OF 02 ABUJA 000573

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DOE FOR GEORGE PERSON

E.O. 12958: DECL: 03/27/2018

TAGS: [PGOV](#) [TBIO](#) [KCOR](#) [NI](#)

SUBJECT: NIGERIA: HEALTH MINISTRY SCANDAL - YAR'ADUA CLEANS
HOUSE

Classified By: Acting DCM Robert Tansey for reasons 1.4. (b & d).

¶1. (U) SUMMARY: Minister of Health Adenike Grange and her deputy, Gabriel Yakubu Aduku, submitted their voluntary resignations on March 25 amidst charges of corruption. In an unprecedented "housecleaning," President Yar'Adua ordered the indefinite suspension of the Permanent Secretary, Director of Administration, Director of Finance, and 11 other top civil servants within the Federal Ministry of Health who are believed to be involved in the questionable approval of contracts worth over \$2.5 million (300 million naira). Investigations have also focused on Senator Iyabo Obasanjo-Bello, Chairman of the Senate Health Committee (and daughter of former President Obasanjo). END SUMMARY.

¶2. (U) In December 2007, President Yar'Adua issued a directive requiring all ministries and parastatals to return unspent funds to the national treasury at year's end. Following reports that some ministries were not in compliance, Yar'Adua ordered the EFCC to begin investigations. According to press reports, upon receipt of the EFCC's report, Yar'Adua gave the Minister and Deputy Minister of Health the option of either resigning or being dismissed. Yar'Adua continued to clean house at the Health Ministry, ordering the suspension of Permanent Secretary Simon Ogamdi, Director of Administration Dr. H.B. Oyedepo, Director of Finance Hanadi Muhammed, and 11 other top civil servants within the Ministry. Minister Grange is accused of approving \$2.5 million (300 million naira) worth of contracts, \$837,000 (98 million naira) of which was to be shared amongst those in the top tiers of the ministry as "bonuses", despite the President's orders. In a statement issued on March 27, Grange denied being guilty of corruption, claiming she was unaware of the contracts, but accepted responsibility for the events that took place on her watch.

¶3. (U) Also accused of involvement in the scandal is Head of the Senate Committee on Health, Senator Iyabo Obasanjo-Bello, daughter of former President Obasanjo. Press reports allege that Obasanjo-Bello and her committee received \$171,000 (20 million naira) from the Ministry of Health to pay for a committee retreat to discuss the National Health Bill, though the reports claim the funds were actually a payoff for the Committee to not perform mandated oversight functions.

¶4. (U) The EFCC has already moved the cases against Grange, Aduku, and Obasanjo-Bello to the Attorney-General for prosecution. Furthermore, Yar'Adua has directed Minister of

Justice and Attorney-General Michael Aondoaka to draft a new public procurement law that would make it a crime for any minister not to execute any project for which money has been appropriated and released.

15. (C) COMMENT: Although Grange was approved as a ministerial candidate by Obasanjo, it was Yar'Adua who ultimately chose her over two other candidates as minister. Grange, a well-respected physician with an extensive resume, appeared highly qualified for the position with more than 46 years of medical experience and, until now, an untarnished reputation for honesty. Grange also just returned from a week in the United States with First Lady Turai Yar'Adua lobbying for investment in Nigeria's health system. Grange is a career civil servant and not a seasoned politician who even referred to herself as a "professional and a technocrat" in a public statement after her resignation. Regardless of her lack of political experience, it is difficult to believe Grange was unaware of the "bonuses" being awarded. END COMMENT.

16. (C) COMMENT CON'T: Although the figures in this case are meager compared to the billions some others who remain unprosecuted have been accused of stealing, it should be noted that never before has such a clean sweep of top officials taken place within a ministry or government agency in Nigeria. It is more common to see a mid-level staffer put forth as a scapegoat, leaving the upper ranks untouched. With rumors of a cabinet reshuffle still swirling, the assertiveness displayed here by Yar'Adua could be the sign people have been waiting for that he is serious about the rule of law and will not tolerate those who disobey his directives. It could also be another attempt to distance himself from Obasanjo's network. Either way, it shows that the EFCC is still functioning, even if at the behest of the

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President. END COMMENT.
SANDERS